

**Remarks by Council President Steve Silverman  
At Third Annual Housing Forum of the  
Montgomery Housing Opportunities Commission**

**September 24, 2002**

I want to thank the Housing Opportunities Commission – most immediately for organizing this third annual conference – and more broadly for decades of stalwart service to the people of Montgomery County. I want to say to all the men and women who labor in the vineyards of affordable housing day in and day out – thank you. By putting one foot in front of the other every day you have lifted up thousands of families and given many thousands of children a better shot at developing their God-given talents.

Franklin Roosevelt once gave a good piece of advice on public speaking. He said, “Be sincere. Be brief. Be seated.” I intend to follow that road map today. But before I do I want to take a leaf from Ralph Waldo Emerson who offered that “a good indignation makes an excellent speech.”

Tonight, I want to be indignant about affordable housing in Montgomery County.

A house is just not a house. A house is a home. It’s where our infant son takes his first awkward steps. It’s the treehouse we built in the backyard. It’s the conversations over the first cup of coffee in the morning. It’s the flower bed out front and the vegetable patch out back. And it’s the place you first heard the news when a loved one passed away.

I spent the first eight years of my life in an apartment, before my folks could afford a house. I lived in that same house until I traipsed off to college. I played ball in the streets. And there was a world-class sledding hill right there in my backyard – no small advantage in Portsmouth, New Hampshire where you have snow, and plenty of it, five months a year.

I know I am what I am today because of what happened INSIDE that house, but I also believe that our physical surroundings have a huge effect on how we develop and on our quality of life.

We see it in our schools.

When immigrant children in our County have no place to study, no place to play, and are crammed together in too little living space, there are consequences in

the classrooms. When parents chase across the County, seeking to improve their housing situation, kids get moved out of one school and into another – changing friends and teachers and losing ground in their studies. Is it any wonder that student mobility rates and low-income students and underperforming students all track together in our school system?

And we see the effects of the lack of affordable housing on our roads.

Since our starting teachers and firefighters and police officers – not to mention child-care workers and retail employees -- can't find affordable housing near their jobs, they move further out and suck up the commute. Opponents of more roads talk about the sprawl they'll create but rarely, if ever, note how our lack of affordable housing is creating the very sprawl they decry.

And we see how the lack of affordable housing effects our residents on either end of the housing lifetime – young couples starting out without a whole lot of money and seniors who want to continue to live in the County they've done so much to build and stay near their children and grandchildren.

And we see the effects on public safety. Witness the tragic fire in Gaithersburg last January that took the lives of a Salvadoran family who lived in a basement without any fire exit – and think about all the similar situations of overcrowding throughout the County. There are a lot of tragedies just waiting to happen.

Montgomery County has, for decades, been ahead of the curve with our programs to build and preserve affordable housing. Our Moderately-Priced Dwelling Units – or MPDU – program is a widely-admired model for communities across America.

Early on, this County saw the opportunity to make private development work for us – by requiring builders to include affordable units along with their market-rate offerings. And we had the foresight to spread MPDUs across the County into every community – both the sale and rental units – so that those units would be integrated into the communities around them. That's why you've never seen on TV the implosion of deteriorated, abandoned high-rise public housing projects in Montgomery County – and, thank God, you never will.

And, in 1989, the Council established the Housing Initiative Fund, which, since then, has used \$47 million in public funds to leverage \$247 million worth of projects. Over the past four years, the Council has increased our annual appropriations to the Fund from \$2.7 million to \$15.5 million for the current year.

All this is great. But, my friends, it's not nearly enough. Our affordable housing program is not moving forward fast enough.

Why?

As the County increasingly builds out – and development is concentrated more in urban in-fills -- there are fewer MPDUs being produced. And many existing MPDUs are nearing their 10-year or 20-year expirations and could slip back into the market-rate category.

In the meantime, the Market – that's with a capital "M" – is driving up prices. The median price of a new single-family detached house went up by 11.8 percent from 2000 to 2001 – and has leaped another 9.1 percent to \$476,515 in just the first quarter of 2002. The median price of an existing single-family detached home now goes at \$303,000 – almost 15 percent higher than in the year 2000. The average rent in the County for a two-bedroom apartment is now \$1,180 – and 40 percent of rental properties have a waiting list. Our vacancy rate hovers around 2 percent. And the waiting list for rent subsidies has doubled. Is it any wonder that HOC is having a hard time using all its federal vouchers?

In the meantime, an estimated 104,000 families in the DC area pay more than half of their income for housing. The Montgomery Housing Partnership estimates that 28 percent of renters in our County pay more than one-third of their income for housing. At the same time, twenty percent of our households in Montgomery County earn \$35,000 or less – up 14,000 families from 10 years ago. A report from the National Low-Income Housing Coalition estimates that you need an hourly pay rate of \$16.60 an hour to afford two-bedroom apartment in Montgomery County.

I don't know about you, but I'm not about to "redline" any neighborhood in these County and say that the police and firefighters who protect our lives and property, the nurses who tend to our sick and elderly, and the child-care workers who spend time with our kids can't live there.

That's not the kind of County I want to live in – and it's not the kind of County I'm going to live in.

I recall the firestorm of debate over "productivity housing" in the mid-nineties in this County and quotes in the paper from residents of some of our tonier neighborhoods to the effect that they had moved to those areas to get away from living near police officers and teachers and hairdressers and other such. Others noted that folks such as those hadn't "earned" the right to live in the better areas.

Let me see if I've got this straight. They're good enough to put out a fire and save your home and life. And they're good enough to teach your kids advanced math. But they're not "good enough" to live in your neighborhood. That attitude to me is downright un-American.

So, what do we do? By all means, let's build on our MPDU program and do our best to keep those units – and others in the affordable category. We've changed "the market" with these model programs – but we have to up the ante.

Despite what may be lean times ahead on the state and County level, we have to maintain our Housing Initiative Fund and fight to save the few state affordable housing programs that exist from being eliminated altogether.

And, as I've said before, we need to use surplus land that the County already owns and give affordable housing a first priority for parcels that are appropriate. We are moving forward on an inventory of such properties and we need to work with developers in the for-profit and non-profit sectors to match up properties and potential players.

And we – who have been a model for others – need to look around at how other communities are tackling this challenge.

For example, in San Francisco, the public sector stepped forward to develop an apartment building where apartments are reserved for teachers just starting out, and their families. In Cleveland, the County government is leveraging its bank deposits to encourage bank lending for revitalization of housing stock. And Seattle is looking to encourage manufactured housing to cut down on the costs of getting housing to market.

On October 24, I will convene an "Affordable Housing Roundtable" before the full Council to pull together a whole pile of ideas from around the country to examine and explore their relevance in our situation here in the County. We'll talk about increasing the supply of affordable housing through land use and zoning, controlling the cost of developing housing, and identifying non-traditional areas for locating housing – among other topics.

Let me offer one final thought, before I take FDR's sage advice and "be seated."

Affordable housing is like apple pie and baseball.

Everybody's for it. Except that the Devil is in the details. Developing affordable housing on County-owned land may mean that the vacant lot across the street is no longer available for other County uses. It may mean your neighborhood is a trifle more dense than you'd like. Or that a small stand of trees you've grown accustomed to yields to the greater good.

We pride ourselves on process in this County – and that's a good thing. It's good because the process is there so that everyone can be heard from and everyone can put their two cents worth in. Still, there often are competing social goals and difficult trade-offs to be made.

If we are really serious about funneling our indignation over the shortage of affordable housing into action, we cannot shrink from making those hard choices.

I've been on the Council long enough to know that not everything is a "win-win" situation and that you can't always please everybody. We shouldn't expect that tackling our affordable housing crisis will be any different.

It's time to get indignant and smart and determined. Standing still is not an option. This is our challenge. Let's get moving.